

MOSES PENDERGRASS.

JUNE 21, 1898.—Committed to the Committee of the Whole House and ordered to be printed.

Mr. ROBB, from the Committee on Claims, submitted the following

REPORT.

[To accompany S. 242.]

The Committee on Claims, to whom was referred the bill (S. 242) for the relief of Moses Pendergrass, of Missouri, have duly considered the same and recommend that it do pass.

Your committee refer to the Senate report, No. 112, first session Fifty-second Congress, made by Mr. Sawyer, chairman of the Committee on Post-Offices and Post-Roads, and to the Senate report, No. 484, second session Fifty-fifth Congress, made by Mr. Chandler from the Committee on Post-Offices and Post-Roads, and make the same a part hereof.

Senate Report No. 484, Fifty-fifth Congress, second session.

Mr. CHANDLER, from the Committee on Post-Offices and Post-Roads, submitted the following

REPORT.

[To accompany S. 242.]

The Committee on Post-Offices and Post-Roads, to which was referred the bill (S. 242) for the relief of Moses Pendergrass, of Missouri, have duly considered the same and submit the following report.

A precisely similar bill was favorably reported and passed in the Senate in the Fifty-second, Fifty-third, and Fifty-fourth Congresses.

Moses Pendergrass was a contractor for carrying the mail on Route No. 28630, in the State of Missouri, from July 1, 1887, to May 6, 1888, and carried the mails during that time. By a mistake in making his proposal his contract was for \$4 instead of \$400. It is evident that he did not intend to carry the mail over a route of 15 miles and return six times a week for \$4.

There were a number of bids under \$400, the lowest of which was \$317, and that bidder was entitled to the contract and Mr. Pendergrass is entitled to no more. But the evidence submitted shows him equitably entitled to that. The committee refer to the Report No. 112, first session Fifty-second Congress, made by Mr. Sawyer, chairman of the Committee on Post-Offices and Post-Roads, and make the same a part hereof, and report the bill back to the Senate and recommend its passage.

[Senate Report No. 112, Fifty-second Congress, first session.]

The Committee on Post-Offices and Post-Roads, to which was referred the bill (S. 8) for the relief of Moses Pendergrass, have duly considered the same and submit the following report:

On September 15, 1886, the late Postmaster-General, William F. Vilas, caused the advertisement of that date to be published inviting proposals for carrying the mails of the United States in the State of Missouri, from July 1, 1887, to June 30, 1891, upon the various routes designated therein, and in accordance with the requirements therein. The advertisement for the service from Knob Lick, by Libertyville and Avon, to Coffman, was as follows:

28630 From Knob Lick, by Libertyville and Avon, to Coffman, 15 miles and back, six times a week to Libertyville, 6 miles, and three times a week the residue.

Leave Knob Lick daily, except Sunday, at 2.45 p. m.;

Arrive at Libertyville by 4.15 p. m.;

Leave Libertyville daily, except Sunday, at 9.30 a. m.;

Arrive at Knob Lick by 11 a. m.;

Leave Libertyville Monday, Wednesday, and Friday at 4.30 p. m.;

Arrive at Coffman by 7 p. m.;

Leave Coffman Monday, Wednesday, and Friday at 1.30 p. m.;

Arrive at Libertyville by 4 p. m.

Bond required with bid, \$700.

In pursuance of that invitation for proposals Mr. Moses Pendergrass, of Libertyville, Mo., who is unable to read and write, went to Mr. A. A. Rudy, then postmaster

at Knob Lick, Mo., and a justice of the peace, and requested him to fill out the bid or proposal for carrying the mail on said route, and the proposal in the usual printed form was duly made out and signed by Moses Pendergrass, by his mark, and sworn to before the said A. A. Rudy, a justice of the peace, and the bond, in the sum of \$1,400 was duly executed October 27, 1886, by Mr. Pendergrass, by his mark and by his sureties, E. Presnell and W. P. Blanks, and the two sureties made the proper oath, required by the laws and regulations, before the said A. A. Rudy, as a justice of the peace; and the certificate of the postmaster to such proposal, bond, and oath of sureties was duly made by the said A. A. Rudy, as the postmaster, and the bid was duly forwarded to the Post-Office Department. All the blanks in the proposal, affidavit, and bond, and the oath of the sureties, etc., were filled in and written by the said A. A. Rudy, and Mr. Pendergrass instructed him fully that his bid was to be \$400, but, by mistake, neglect, or oversight, of the said A. A. Rudy, instead of filling in the blank space before the word "dollars" with "400," he wrote the word "four," so that the bid appeared as "four dollars." In due time the bids for this route were opened and were as follows:

List of bidders and amounts of their bids, respectively, for service on Route No. 28630, Missouri, Knob Lick to Coffman, from July 1, 1887, to June 30, 1891.

J. W. McSpaden.....	\$699.00	Benjamin F. Moss.....	\$379.00
E. H. Gaither.....	591.00	M. A. Moore.....	373.00
W. N. Gibbs.....	541.00	James D. Smith.....	363.00
William S. Jackson.....	520.00	J. R. Boring.....	363.00
F. S. Smith.....	493.00	J. B. Colegrove.....	363.00
J. B. Emery.....	491.00	C. B. Mitchell.....	360.00
J. P. Stewart and H. T. Sympton.....	466.00	Wesley Moore.....	349.00
J. A. Fufts.....	447.00	W. F. Hansberger.....	349.00
Andrew Easley.....	442.88	J. R. Pigg.....	335.00
E. J. Melton.....	438.00	R. L. Pease.....	330.00
M. T. Craft.....	397.00	F. G. Trestrail.....	317.00
C. C. Morse.....	396.00	Moses Pendergrass.....	4.00

As a matter of course, Mr. Pendergrass at \$4 appeared as the lowest bidder. Thereupon the usual printed form of contract between the United States and Moses Pendergrass as contractor, with Presnell and Blanks as securities, was forwarded to the postmaster, A. A. Rudy, at Knob Lick, and the blank spaces therein were again filled in by Mr. Rudy, the postmaster at Knob Lick, and he again inserted in the blank space before the word "dollars" the word "four," omitting "hundred," and this contract was signed by Mr. Pendergrass by his mark, as also the affidavit of Pendergrass as contractor, which was made before the said Rudy as postmaster, and the same was returned to the Post-Office Department dated February 23, 1887, and duly executed on the 2d day of March, 1887. Copies of the proposal, bond, oath of sureties, certificate of the postmaster, and also of the contract between the United States of America and Moses Pendergrass, duly verified by the Post-Office Department, are before your committee.

Prior to the beginning of the service, and on June 16, 1887, the following order was issued by the Postmaster-General, increasing the service:

JUNE 16, 1887.

[Order No. 9332, Route 28630, Missouri, Knob Lick to Coffman, 15 miles; six times a week six months, three times a week nine months. Moses Pendergrass, \$4.]

From July 1, 1877, increase service to six times a week between Libertyville and Coffman, 9 miles (now three times a week), and allow contractor \$1.71 per annum additional pay, being pro rata.

WM. F. VILAS, *Postmaster-General*.

On July 1 Mr. Pendergrass entered upon his duties as contractor, and duly and faithfully carried the mails on said route up to and including the 6th day of May, 1888. After the expiration of the first quarter, ending September 30, 1888, the Post-Office Department made out and sent to Mr. Pendergrass warrant No. 3855, St. Louis series, for the payment of service on said route in the amount of \$1.43, and this was the first knowledge Mr. Pendergrass had that his bid in the Department appeared as only \$4 instead of \$400; and he immediately notified the Department, claiming that there was a mistake in the amount of the warrant, etc., and on November 23, 1887, the Department wrote him the letter of that date, and Mr. Rudy indorsed and returned said letter to the Third Assistant Postmaster-General, stating that the bid of Mr. Pendergrass was certainly \$400, that he made out the papers for him, etc., and thereupon the Second Assistant Postmaster-General wrote Mr. Rudy, the post-

master at Knob Lick, the letter of December 1, 1887. On February 27, 1888, Mr. Pendergrass notified the Department that in thirty days from that date he would give up his contract, as shown by his letter of that date to the Postmaster-General.

On March 1, 1888, Mr. Pendergrass caused to be written to the Second Assistant Postmaster-General a letter stating what his contract was and why he had to abandon it, unless relief could be afforded to him, and on March 9, 1888, the Second Assistant Postmaster-General sent to Mr. Pendergrass the letter of that date, notifying him that the service would be relet at the expense of himself and sureties, and also addressed the letter of March 9, 1888, to the postmaster at Knob Lick, Mr. A. A. Rudy. On March 16, 1888, Mr. W. P. Blanks, one of the sureties of Mr. Pendergrass, wrote to Hon. M. L. Clardy, member of the Fiftieth Congress, the letter of that date, and Mr. Clardy, as shown on the back, indorsed and referred the same to the Second Assistant Postmaster-General, who answered it, as shown by the letter of March 23, 1888; and thereafter sundry letters were written by the Second Assistant Postmaster-General to Mr. Rudy and to Mr. Pendergrass, and replied to by Mr. Rudy, as shown by the letters of March 27, March 30, April 14, April 17, April 20, April 21, and April 26, and the result of which was that on April 20, 1888, the Postmaster-General issued order No. 5311, declaring the contract forfeited, as shown by the following order:

[Order No. 5311. Route No. 28630. Missouri. Knob Lick to Coffman, 15 miles, 6 times a week, Moses Pendergrass, \$571.]

APRIL 20, 1888.

Whereas Moses Pendergrass, contractor on this route under the advertisement of September 15, 1886, has failed and refused to perform the service, he is hereby declared a failing contractor; and whereas F. E. Smith, of Washington, D. C., has agreed to enter into contract and perform the service for the sum of \$469 per annum, it is hereby ordered that the contract for the performance of the service for the balance of the contract term, to wit, from May 7, 1889, to June 30, 1891, be, and the same is hereby, awarded to the said F. E. Smith, at the rate of \$469 per annum.

A. E. STEVENSON,
Acting Postmaster-General.

And thereupon proceeded to hold him subject to the penalties prescribed, and reported him to the Sixth Auditor of the Treasury for the Post-Office Department, who proceeded to state the account of Mr. Pendergrass for damages in the sum of \$1,459.85.

The letters hereinbefore referred to are as follows:

POST-OFFICE DEPARTMENT,
OFFICE OF THIRD ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., November 23, 1887.

SIR: In reply to your letter of the 19th instant I beg leave to inform you that warrant No. 3855, St. Louis series, issued the 11th instant in your favor, is for payment of service performed on Mail Route No. 28630 during the quarter ended September 30, as follows, viz:

Regular quarterly pay, per the contract	\$1.00
More per quarter from July 1 to September 30, under order No. 933343

Total quarterly compensation	1.43
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Respectfully, etc.,

H. R. HARRIS,
Third Assistant Postmaster-General.

MOSES PENDERGRASS, Esq.,
Libertyville, St. Francois County, Mo.

No date. Received at Third Assistant Postmaster-General's Office, November 28, 1887.

KNOB LICK, MO.

THIRD ASSISTANT POSTMASTER-GENERAL:

Moses Pendergrass's bid on Route 28630 was \$400 per year. There is certainly some great mistake somewhere. Anyone knows that the mail could not be carried 15 miles and back six times a week for \$4 per year. I made the papers for Mr. Pendergrass, and \$400 was his bid.

A. A. RUDY,
Postmaster, Knob Lick, Mo.

[Post-Office Department, Office of the Third Assistant Postmaster-General, Division of Finance.]

WASHINGTON, D. C., November 23, 1887.

Respectfully referred to the Second Assistant Postmaster-General, who will please give Mr. Pendergrass the information called for in the annexed communication.

H. R. HARRIS,
Third Assistant Postmaster-General.

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL.
Washington, D. C., December 1, 1887.

SIR: Referring to your response to the Third Assistant Postmaster-General, relative to the pay of Mr. Moses Pendergrass for mail service on Route No. 28630—Knob Lick to Coffman—you are informed that the amount of his proposal on file in this office is very plainly written "four" dollars per annum, and in the notice, sent him February 23, 1887, of the acceptance of his proposal, the rate of his pay was stated as "four dollars per year," and contracts at that rate were sent to you for execution by Mr. Pendergrass and returned to the Department so executed. And, therefore, the rate at which he has been paid for service in the quarter ended September 30 last is the most that he can be paid for the service.

If it is a fact that a mistake was made in filling out the proposal it appears to have been made by you, and it is astonishing that it has not been discovered until now, in view of the notice sent the contractor of the acceptance, his execution of contract, and notification of increase of service, and the services rendered by you as a justice of the peace and postmaster in the execution of the proposal and contract, and the poster sent you on June 1, 1887, stating the rate of the contractor's pay.

Very respectfully,

A. LEO KNOTT,
Second Assistant Postmaster-General.

POSTMASTER, Knob Lick, St. Francois County, Mo.

KNOB LICK, MO., February 27, 1888.

The POSTMASTER-GENERAL,
Washington, D. C.

I hereby give notice that thirty days from this date I shall give up my contract for carrying the mail from Coffman to Knob Lick, Mo., on Route No. 28630.

Yours, very respectfully,

MOSES PENDERGRASS, Contractor.

KNOB LICK, MO., March 1, 1888.

DEAR SIR: I notified the honorable Postmaster-General that I was compelled to give up my contract of carrying the mail from Coffman, Mo., to Knob Lick, Mo., on Route 28630.

My bid was \$400. The postmaster at Knob Lick made it out for me and made it \$4 when he wanted to make it \$400. The Postmaster-General wrote me that for further information to communicate with you and state the reason for quitting my contract. I am a poor man and have a family to support, and how can I do it on \$4 a year?

It would be a limited support, and if you can do something for me your favor shall never be forgotten, I assure you. I have now carried the mail three quarters. Am now bound to quit if there is not a change made. Please let me hear from you soon.

I am yours, truly,

MOSES PENDERGRASS,
Libertyville, Mo.

SECOND ASSISTANT POSTMASTER-GENERAL.

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., March 9, 1888.

SIR: You are hereby informed that in pursuance of your notice of the 27th ultimo, that thirty days from that date you would abandon the service on Route No. 28630, between Knob Lick and Coffman, Mo., the Department has offered up the route and

advertised for bids for the service to begin on the 10th proximo, from which date the service will be relet at the expense of yourself and sureties, should you abandon the service as stated in your said notice.

Very respectfully,

Mr. MOSES PENDERGRASS,
Libertyville, St. Francois County, Mo.

D. HAGERTY,
Acting Second Assistant Postmaster-General.

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., March 9, 1888.

SIR: Mr. Moses Pendergrass, contractor on Route 28630, Knob Lick to Coffman, has notified the Department that he should quit the service on said route thirty days from the 27th ultimo, in consequence of which the route has been offered up and service advertised for to begin on April 10 next.

Should Mr. Pendergrass quit the service, as stated, you are instructed to employ temporary service on the route at not exceeding \$2 per round trip, until regular service shall be resumed, and at once notify this office of the contractor's abandonment and your action.

Very respectfully,

D. HAGERTY,
Acting Second Assistant Postmaster-General.

POSTMASTER, *Knob Lick, St. Francois County, Mo.*

KNOB LICK, Mo., *March 16, 1888.*

DEAR SIR AND FRIEND: I suppose you have been bored until you are sick and tired about this Pendergrass mail matter.

Some time since Mr. P. resigned, and a new letting ordered, which goes into effect 10th of April. Yesterday a Mr. Trestrail, of Kansas City, was here and hired Mr. Pendergrass to carry the mail for the remainder of the term, paying him at the rate of \$450 per year. He claims to do this in the interest of the Government or Post-Office Department; he also says Pendergrass's bondsmen are responsible for the difference in the bids, that is, as I suppose the \$4 Pendergrass bid, and the \$450 or whatever bid he, Trestrail, may put in, unless we could get released, which he thought could be done.

He told me to write and have you (if it is not too late) to append to your bill asking an appropriation for P—— to ask also for a release of his bondsmen, Prisnel and myself, all of which I ask in the interest of your friends and more particularly ourselves.

I would like to hear from you soon.

Yours, most respectfully,

Hon. M. L. CLARDY,
Washington, D. C.

W. P. BLANKS.

P. S.—Mr. Trestrail is the \$317 bidder.

Respectfully referred to Hon. A. Leo Knott, Second Assistant Postmaster-General. Please read the within letter and give me an answer to the inquiry of correspondent. I would like to know by what authority a Kansas City man employed Mr. Pendergrass, and to have any other information that you think will interest the writer.

MARTIN L. CLARDY.

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., March 23, 1888.

SIR: Referring to the letter of Mr. W. P. Blanks, and your indorsement thereon, relative to the mail service on Missouri Route No. 28630, Knob Lick to Coffman, I have the honor to inform you that Mr. Pendergrass, the contractor, having notified this office that he will not perform service after the expiration of the present quarter, the Department has offered up the route and advertised for bids for service to commence on the 10th proximo, but no award of contract has yet been made, and the postmasters instructed to advertise have not yet reported. Should Mr. Pendergrass quit the service, as stated, the route will be relet to the lowest bidder, the

difference between the amount of whose bid and the amount of Mr. Pendergrass's pay Mr. Pendergrass and his sureties will be liable for.

Neither Mr. Trestrail nor any person except Mr. Pendergrass or the postmaster at Knob Lick has any authority to employ service on said route at present.

Very respectfully,

Hon. M. L. CLARBY,
House of Representatives.

D. HAGERTY,
Acting Second Assistant Postmaster-General.

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., March 27, 1888.

SIR: You are instructed to report to this office, promptly, at the close of this month, whether Moses Pendergrass, the contractor, has abandoned the service on Route No. 28630, Knob Lick to Coffman; and should he not then abandon the service you will please ascertain and report his intentions concerning the same.

Very respectfully,

A. LEO KNOTT,
Second Assistant Postmaster-General.

POSTMASTER, *Knob Lick, St. Francois County, Mo.*

KNOB LICK, Mo., *March 30, 1888.*

SIR: Moses Pendergrass is still carrying the mail from this office to Coffman, and says he will continue to carry the same until the 10th of April, at which time he expects to hand the mail matter over to the new contractor, if there is one. If he is to carry any longer than the 10th of April you had better so inform him.

Yours, respectfully,

A. A. RUDY,
Postmaster, Knob Lick, Mo.

SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C.

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., April 14, 1888.

SIR: Referring to your report of the 30th ultimo, that Mr. Pendergrass was still performing the service on Route No. 28630, Knob Lick to Coffman, and would continue to perform the service until April 10, 1888, or until the commencement of service under a new contract, you are informed that a new contract can not be ordered until Mr. Pendergrass shall have actually failed and refuse to perform the service. You will please so inform him, and if he shall fail and refuse to perform the service, you will promptly notify this office of the fact, and employ temporary service as heretofore instructed.

Very respectfully,

A. LEO KNOTT,
Second Assistant Postmaster-General.

POSTMASTER, *Knob Lick, St. Francois County, Mo.*

KNOB LICK, Mo., *April 17, 1888.*

SIR: Moses Pendergrass, who has been the late contractor and carrier on Route 28630, has refused and failed to convey the mail from Knob Lick to Coffman, Mo. I have employed temporary service by employing Henry Chappell to convey the mail from Knob Lick to Coffman, Mo., at \$2 per day until a new contractor has taken charge and entered upon the service of his contract.

A. A. RUDY,
Postmaster, Knob Lick, St. Francois County, Mo.

SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C.

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., April 20, 1888.

SIR: You are hereby informed that in consequence of your failure and refusal to perform service on Route No. 28630, Missouri, Knob Lick to Coffman, you have been declared a failing contractor, and the service for the balance of the contract term, to wit, from May 7, 1888, to June 30, 1891, has been awarded to Mr. F. S. Smith, of Washington, D. C., at the rate of \$469 per annum, the amount of his bid being the lowest received under the "offer up" and readvertisement for the service as required under your contract.

Very respectfully,

A. LEO KNOTT,
Second Assistant Postmaster-General.

Mr. MOSES PENDERGRASS,
Libertyville, St. Francois County, Mo.

KNOB LICK, Mo., *April 21, 1888.*

SIR: Since writing to you Mr. Moses Pendergrass, contractor on Route 28630, informs me that after maturely considering his obligation and duties in the premises, he has determined to continue in the service until after the expiration of the present fiscal year. I have therefore notified Henry Chappel, the person employed by me, upon the refusal of Moses Pendergrass, that his service will not be needed. I trust no action may be taken by the Department that may prejudice Mr. Pendergrass or his sureties.

Yours, respectfully,

A. A. RUDY,
Postmaster, Knob Lick, Mo.

SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C.

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., April 26, 1888.

SIR: Referring to your letter of the 20th instant, stating the determination of Mr. Moses Pendergrass to resume the service on Route No. 28630, Knob Lick to Coffman, and continue the same until June 30 next, you are informed that in view of Mr. Pendergrass's notice of February 27 last, that thirty days from that date he would quit the service, and your report of the 17th instant that he had "refused and failed to convey the mail from Knob Lick to Coffman," and the order having been issued on the 20th instant declaring him a failing contractor and awarding the service to Mr. F. S. Smith, and Mr. Smith having then been notified of such award, the Department declines to revoke its order and allow the resumption of the service by Mr. Pendergrass, who you are instructed to notify of these facts.

Very respectfully,

D. HAGERTY,
Acting Second Assistant Postmaster-General.

POSTMASTER, *Knob Lick, St. Francois County, Mo.*

Mr. Pendergrass, being unable to read or write, had to depend upon others to give attention to this business and to have the matter properly adjusted. Early in January, 1890, through his friends, he applied to Senator Cockrell, who, on application to the Second Assistant Postmaster-General and to the Sixth Auditor of the Treasury, received the replies of January 15 and 16, 1890, as follows:

OFFICE OF THE AUDITOR OF THE TREASURY
FOR THE POST-OFFICE DEPARTMENT,
Washington, D. C., January 15, 1890.

SIR: In the case of Moses Pendergrass, who has been declared a failing contractor on Route No. 28630, in the State of Missouri, the circumstances of whose failure is fully set forth in your letter of the 10th instant, I have the honor to inform you that there has been no correspondence with Mr. Pendergrass or his sureties, and no action taken by this office in this matter, except to state his account for damages, which amounts to \$1,459.85.

There is no doubt that a mistake has been made in this case, and the wonder is that Mr. P. should have gone on performing the services so long after receiving his first payment of \$1.43, November 11, 1887. I am prepared to recommend to the honorable Postmaster-General a remission of his penalties as a failing contractor, and to

pay him the balance of two dollars due him for service under his contract to May 6, 1888, which is all the relief this office can afford in the case.

It looks as if Congressional action will be necessary to provide payment for the service performed by Mr. Pendergrass from July 1, 1887, to May 6, 1888, at a rate of pay commensurate with his *intended* bid.

Very respectfully,

T. B. COULTER,
Auditor.

Hon. F. M. COCKRELL,
United States Senate.

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, January 16, 1890.

SIR: In compliance with your request of the 10th instant, I have the honor to transmit herewith copies of the correspondence between this office and Mr. Pendergrass and others, relative to the amount of his bid and his failure to perform service for which he was declared failing contractor on Route No. 28630, Missouri, Knob Lick to Coffman, and to state that the Department has no authority to pay Mr. Pendergrass for the service performed by him at a higher rate than that stated in his proposal. Concerning proposed legislation in his behalf it is suggested that this may not be necessary for his relief from the liability incurred by his abandonment of the service, in view of section 309, Postal Laws and Regulations (Revised Statutes, section 409), to wit:

"In all cases of fine, penalty, forfeiture, or disability, or alleged liability, for any sum of money by way of damages or otherwise, under any provision of law in relation to the officers, employees, operations, or business of the postal service, the Postmaster-General may prescribe such general rules and modes of proceedings as shall appear to be expedient, for the government of the Sixth Auditor in ascertaining the fact in each case in which the Auditor shall certify to him that the interests of the Department probably require the exercise of his powers over fines, penalties, forfeitures, and liabilities; and upon the fact being ascertained the Auditor may, with the written consent of the Postmaster-General, mitigate or remit such fine, penalty, or forfeiture, remove such disability, or compromise, release, or discharge such claim for such sum of money and damages, and on such terms as the Auditor shall deem just and expedient."

The Department had no recourse but to declare Mr. Pendergrass a failing contractor, and hold him subject to the penalties prescribed, but should terms of settlement relieving him from liabilities be arranged with the Auditor and referred to the Postmaster-General for his sanction, they will receive his consideration.

In reference to the indorsements on the back of Mr. Pendergrass's bid, the amount "\$400" in black was erroneously written thereon by a clerk in this office, and the correction, by crossing out that amount and writing over the same in red ink the sum "\$4," was made by another clerk charged with the examination of bids.

Very respectfully,

S. A. WHITFIELD,
Second Assistant Postmaster-General.

Hon. F. M. COCKRELL,
United States Senate.

On January 30 Senator Cockrell wrote to the Sixth Auditor a letter, inclosing to him a letter from Mr. Pendergrass and also the affidavit of Mr. Pendergrass, and also the affidavit of W. P. Blanks and E. Presnell, his sureties, and a letter of said A. A. Rudy to the Sixth Auditor, asking for a compromise of the liabilities of Mr. Pendergrass and his sureties and their release from the declared damages of \$1,459.85, which papers were duly received by the Sixth Auditor on February 1, 1890; and on February 27, 1890, the Sixth Auditor wrote the following letter to Senator Cockrell announcing the compromise and release:

OFFICE OF THE AUDITOR OF THE TREASURY
FOR THE POST-OFFICE DEPARTMENT,
Washington, D. C., February 27, 1890.

SIR: I have the honor to inform you that the honorable Postmaster-General has compromised the liabilities of Moses Pendergrass, failing contractor on Route No. 28630, Missouri, and those of his sureties, for the sum of one dollar, which has been charged in the final settlement of his account.

Very respectfully,

T. B. COULTER,
Auditor.

Hon. F. M. COCKRELL,
United States Senate.

On April 7 Mr. Cockrell wrote to the Sixth Auditor for the affidavits, etc., and for the papers above described, so transmitted to him, and also for information in regard

to the amount that would be due Mr. Pendergrass for his services July 1, 1887, to May 6, 1888, and received in reply a letter dated April 12, 1890, which, and the affidavits and papers therein referred to, are as follows:

OFFICE OF THE AUDITOR OF THE TREASURY
FOR THE POST-OFFICE DEPARTMENT,
Washington, D. C., April 12, 1890.

SIR: In compliance with the request contained in your communication of the 7th instant, I have the honor to inclose herewith the original affidavits of Moses Pendergrass, failing contractor on Route No. 28630, in the State of Missouri, and of his sureties, and the certificate of A. A. Rudy. The amount which would have accrued to the credit of Mr. Pendergrass for service from July 1, 1887, to May 6, 1888, under a contract executed in pursuance of a bid at \$400 per annum, and a pro rata allowance under the subsequent orders of the Postmaster-General increasing the service (less the amount already paid and the charge of \$1 in compromise), is \$480.13. The amount which would have accrued for the same service under a contract based on Trestrail's bid at \$317 per annum for the same period and under the same conditions as above stated is \$379.56.

I take the liberty to suggest that the claim of Mr. Pendergrass should not be for a greater sum than that which would have been paid by the Government, under a contract based on Trestrail's bid; and it might be well to consider whether or not this sum should be reduced by deducting the amount the Government is paying for the service in excess of Trestrail's bid, which is at the rate of \$16.14 per annum, amounting to \$58 from May 7, 1888, to the end of the contract term, June 30, 1891. I further suggest that as this claim does not originate in the Post-Office Department, it should properly be paid out of any moneys in the Treasury not otherwise appropriated, and not from postal revenues.

Very respectfully,

T. B. COULTER,
Auditor.

Hon. F. M. COCKRELL,
United States Senate.

DEAR SIR: I have forwarded you my affidavit setting forth all the particulars in regard to my bid on Route No. 28630, in the State of Missouri. The affidavit shows how the mistake was made and what my proposal was, and that I did not absolutely abandon the service, but continued to carry the mail until another contractor was ready and taken charge of the mail. I am a very poor man and dependent for the support of myself and family upon my daily manual labor. It would be oppressive on me and my sureties to be compelled to pay the \$1,459.85, the amount of damage for my failure to complete my contract for carrying the mails. I respectfully and earnestly request of you, the honorable Sixth Auditor of the Treasury for the Post-Office Department, to investigate the matter fully, and to certify to the Postmaster-General whether or not in his judgment the interest of the Department and the interest of right and justice require the exercise of his power over this penalty and forfeiture, and ask his written consent to remit the penalty and forfeiture, and release and discharge the claim of \$1,459.85 now pending against me and my sureties.

his
MOSES x PENDERGRASS.
mark.

Hon. T. B. COULTER,
Washington City, D. C.

Hon. T. B. COULTER,
Sixth Auditor of the Treasury for the Post-Office Department, Washington City, D. C.
STATE OF MISSOURI, County of St. Francois:

I, Moses Pendergrass, late contractor on Mail Route No. 28630, in the State of Missouri, do hereby certify that I am an uneducated man, unable to read or write, and have to depend on some one else, and in my bid for the contract on said route I proposed \$400 and so instructed Mr. A. A. Rudy, who filled in the blanks in my proposal; that under no circumstances could I have bid, knowingly, \$4 (four dollars) per year. Being uneducated I could not read any of the papers sent, either the bid or proposal, the acceptance of it, the bond and the other papers. Placing the greatest confidence in Mr. Rudy I depended altogether on him. The first knowledge I had there was a mistake in my bid was when I received my voucher for the first quarter. At the time I thought the Department had made the mistake; I notified them immediately.

The Department informed Mr. Rudy that if there was any mistake in my bid he (Rudy) had made the mistake. In the notice of February 23, 1887, to Mr. Rudy, the postmaster at Knob Lick, of the acceptance of my proposal, he (Rudy) did not notify me that my pay was \$4.00 (four dollars) per year. I never was informed by Mr. Rudy that I had contracted to carry the mail on said route for \$4.00 per annum. After ascertaining that a mistake in my bid being placed at \$4.00 instead of \$400.00, and that the Post-Office Department could not afford me any relief, I duly notified the Department that on a certain time I would quit the service. I gave ample notice and did not abandon the service, but continued to carry the mail until the 6th day of May, 1888, and until another contractor was ready to take charge.

his
MOSES x PENDERGRASS.
mark.

Subscribed and sworn to before me this 27th day of January, 1890.

A. A. RUDY, *Justice of the Peace.*

STATE OF MISSOURI, *County of St. Francois:*

W. P. Blanks and E. Presnell, being duly sworn, say that they are sureties on Moses Pendergrass's bond for carrying the mail on Route No. 28630, in the State of Missouri, and that they never read the bond which they signed, and that the facts set forth in Moses Pendergrass's affidavit are true to the best of their knowledge and belief.

W. P. BLANKS.
E. PRESNELL.

Subscribed and sworn to before me this 27th day of January, 1890.

A. A. RUDY, *Justice of the Peace.*

KNOB LICK, MO., *January 27, 1890.*

DEAR SIR: I filled in the blanks in the bid of Moses Pendergrass on Mail Route No. 28630, and his proposal was for \$400, and he so instructed me, but through an oversight of mine, I put \$4 instead of \$400. In the notice of February 23, 1887, of the acceptance of Moses Pendergrass's proposal I did not notify Mr. Pendergrass that his proposal was for \$4 per year. I never did inform Mr. Pendergrass that he was only to get \$4 per year. I most respectfully and earnestly ask you to do what you can to remit the penalty and forfeiture and release and discharge the claim of \$1,459.85 now pending against Mr. Pendergrass and his securities.

A. A. RUDY, *Justice of the Peace.*

Hon. T. B. COULTER,
Sixth Auditor of the Treasury for the
Post-Office Department, Washington, D. C.

These papers show beyond any doubt that Mr. Pendergrass intended to make a bid of \$400 per year and so believed until after he had carried the mail on the route for more than four months; and then, after he ascertained that there was some mistake and that the Department claimed his bid was only \$4, he still carried the mail up to May 6, 1888, showing his good faith and his anxiety to get the matter settled without loss or detriment to the Government or to the public service.

The equities in favor of Mr. Pendergrass are very strong and he should not be permitted to suffer by the oversight or neglect of others when the Government has lost nothing thereby. The bill proposes to pay to Mr. Pendergrass the amount he would have been entitled to had the next lowest bidder been given the contract; in other words, if his bid had been \$400, the lowest bidder would have been Mr. Trestrail at \$317, and this bill pays Mr. Pendergrass at the rate of \$317 for the time he carried the mails, including the increased service on the route, to wit, \$379.56. If Mr. Pendergrass were to be paid at the rate of his bid, \$400, the amount due him would be \$480.13.

Your committee therefore report this bill back to the Senate favorably and recommend its passage.

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